

Antin to Buy Roadchef from Israeli Conglomerate

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Paris-based infrastructure firm to buy motorway services operator from Delek Group

European infrastructure-focused private equity firm Antin Infrastructure Partners has agreed to buy the U.K. motorway services division of Israeli conglomerate Delek Group.

The buyout firm, which has offices in Paris and London, said in a statement on Monday that it has agreed to buy 100% of Staffordshire, England-based Roadchef, which owns 28 motorway service areas in the U.K., equivalent to 22% of the market.

The company is one of three major operators of motorway service areas in the U.K., according to the statement. The largest is Moto, while the second-largest is Welcome Break.

Antin will pay about £153 million for the company, according to a separate statement from Delek.

Roadchef is one of a number of Delek's non-energy assets that the company has been selling over the last two years in a bid to focus on its core oil and gas business. The company hired investment banks Goldman Sachs and Citigroup in the last few months to assist it in analysing the option for a potential London listing next year, which will act as a dual listing alongside its current Tel Aviv listing.

Delek's real estate division bought Roadchef in 2007 for about £375 million including debt from Nikko Principal Investments and Vision Capital.

Delek said it will make a profit of about ILS220 million (\$60.6 million) from the sale of Roadchef.

Antin Managing Partner Mark Crosbie said that further consolidation in the sector was not a priority, but mentioned that there was a lot that the firm could do to optimise the footprint of the existing Roadchef estate. He said: "It's a business that's got a very strong platform and management team and it's performed extremely well over the last six or seven years despite being capital constrained.

"Some of the other Motorway Services Areas have now got convenience grocery offerings like Waitrose and Marks & Spencer, and Roadchef hasn't. It's our plan to introduce the grocery offering into that business and to support the continued roll out of some of the offerings that they do have.

Mauricio Bolaña, a partner at Antin who led the deal, said in the statement: "We had long identified U.K. MSAs as a target sector due to the essential nature of the services they provide and their geographically diverse strategic locations. These infrastructure characteristics together with a proven resilient financial performance throughout the economic downturn make Roadchef an attractive investment opportunity for our fund."

Antin received financial advice on the deal from Ancala Partners, while Clifford Chance provided legal advice. A spokeswoman for Delek declined to comment on Delek's advisers on the deal.

Antin was set up in 2007 and is led by Alain Rauscher, the former head of the oil, gas and mining division at BNP Paribas Corporate Finance. The firm has since has built up a portfolio of 10 companies across the energy, transport and telecoms sectors.

Its other deals in the U.K. include Porterbrook, the company that owns a third of the U.K.'s trains. In June the firm closed its second fund at its €2 billion hard cap after less than a year of fundraising.

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